UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 32, T23N-R58E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION. ORDER NO. 283-2005

Docket No. 313-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Lyco Energy Corporation to delineate all of Section 32, T23N-R58E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation is granted.

BOARD ORDER NO. 283-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|--|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| Torri H. Dorrigo, Evacutiva Socratorri | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 15, T24N-R57E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 284-2005

Docket No. 314-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 15, T24N-R57E, Richland County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 284-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 16, T24N-R54E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION. ORDER NO. 285-2005

Docket No. 315-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 16, T24N-R54E, Richland County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 285-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 26, T24N-R56E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION. ORDER NO. 286-2005

Docket No. 316-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 26, T24N-R56E, Richland County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 286-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 25, T24N-R56E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION. ORDER NO. 287-2005

Docket No. 317-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 25, T24N-R56E, Richland County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER 287-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 28, T23N-R58E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION. ORDER NO. 288-2005

Docket No. 318-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 28, T23N-R58E, Richland County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 288-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 289-2005

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO POOL ALL INTERESTS IN THE SPACING UNIT COMPRISED OF ALL OF SECTION 28, T23N-R58E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND TO RECOVER NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A.

Docket No. 319-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the spacing unit comprised of all of Section 28, T23N-R58E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation are pooled on the basis of surface acreage.

IT IS FURTHER ORDERED that recovery of non-consent penalties is not authorized at the request of the applicant.

BOARD ORDER NO. 289-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTIONS 35 AND 36, T25N-R56E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION. ORDER NO. 290-2005

Docket No. 320-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 35 and 36, T25N-R56E, Richland County, Montana, are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 290-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 291-2005

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DRILL AN ADDITIONAL HORIZONTAL BAKKEN FORMATION WELL IN THE PERMANENT SPACING UNIT COMPRISED OF LOTS 1, 2, 3, 4, E½W½, E½ (ALL) OF SECTION 7, T23N-R57E, RICHLAND COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 660 FEET TO THE BOUNDARIES OF SAID PERMANENT SPACING UNIT.

Docket No. 321-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lyco Energy Corporation is authorized to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of Lots 1, 2, 3, 4, E½W½, E½ (all) of Section 7, T23N-R57E, Richland County, Montana, at any location but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 291-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 292-2005

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DRILL AN ADDITIONAL HORIZONTAL BAKKEN FORMATION WELL IN THE PERMANENT SPACING UNIT ESTABLISHED BY BOARD ORDER 145-2005 AND COMPRISED OF ALL OF SECTION 12 AND THE NE¼ AND S½ OF SECTION 13, T25N-R53E, RICHLAND COUNTY, MONTANA, ANYWHERE WITHIN SAID PERMANENT SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 322-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lyco Energy Corporation is authorized to drill an additional horizontal Bakken Formation well in the permanent spacing unit established by Board Order 145-2005 and comprised of all of Section 12 and the NE¼ and S½ of Section 13, T25N-R53E, Richland County, Montana, at any location but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 292-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 293-2005

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DRILL AN ADDITIONAL HORIZONTAL BAKKEN FORMATION WELL IN THE PERMANENT SPACING UNIT ESTABLISHED BY BOARD ORDER 146-2004 AND COMPRISED OF ALL OF SECTION 32, T25N-R54E, RICHLAND COUNTY, MONTANA, ANYWHERE WITHIN SAID PERMANENT SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 323-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lyco Energy Corporation is authorized to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Section 32, T25N-R54E, Richland County, Montana, at any location but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 293-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF LYCO ENERGY CORPORATION TO DRILL AN ADDITIONAL HORIZONTAL BAKKEN FORMATION WELL IN THE PERMANENT SPACING UNIT ESTABLISHED BY BOARD ORDER 112-2005 AND COMPRISED OF LOTS 1, 2, 3, 4, S½S½ (ALL) OF SECTION 4 AND ALL OF SECTION 9, T24N-R54E, RICHLAND COUNTY, MONTANA, ANYWHERE WITHIN SAID PERMANENT SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 294-2005

Docket No. 324-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lyco Energy Corporation is authorized to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of Lots 1, 2, 3, 4, S½S½ (all) of Section 4 and all of Section 9, T24N-R54E, Richland County, Montana, at a location anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 294-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Геггі Н. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF STONE ENERGY CORPORATION TO VACATE THE TEMPORARY SPACING UNIT ESTABLISHED BY BOARD ORDER 177-2004 AND COMPRISED OF ALL OF SECTIONS 35 AND 36, T22N-R59E, RICHLAND COUNTY, MONTANA. ORDER NO. 295-2005

Docket No. 325-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the temporary spacing unit established by Board Order 177-2004 and comprised of all of Sections 35 and 36, T22N-R59E, Richland County, Montana, is hereby vacated.

BOARD ORDER NO. 295-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CAMWEST II L.P. TO CONVERT ITS HELLEGAARD 6 WELL (API # 25-091-21799) IN THE NW¼NE¼ OF SECTION 15, T37N-R57E, FLAT LAKE FIELD, SHERIDAN COUNTY, MONTANA, TO A WATER INJECTION WELL INTO THE NISKU FORMATION WITHIN THE FLAT LAKE NISKU UNIT. ORDER NO. 296-2005

Docket No. 326-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that CamWest II, L.P. is authorized to convert its Hellegaard 6 well (API # 25-091-21799) in the NW¼NE¼ of Section 15, T37N-R57E, Flat Lake Field, Sheridan County, Montana, to a water injection well into the Nisku Formation within the Flat Lake Nisku Unit subject to the stipulations on the Sundry Notice.

BOARD ORDER NO. 296-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 297-2005

UPON THE APPLICATION OF CAMWEST II L.P. TO CONVERT ITS DWYER 11-01 WELL (API # 25-091-07002) IN THE SE¼SE¼ OF SECTION 13, T32N-R58E, DWYER FIELD, SHERIDAN COUNTY, MONTANA, TO A WATER DISPOSAL WELL INTO THE DAKOTA FORMATION.

Docket No. 327-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that CamWest II, L.P. is authorized to convert its Dwyer 11-01 well (API # 25-091-07002) in the SE½SE½ of Section 13, T32N-R58E, Dwyer Field, Sheridan County, Montana, to a water injection well into the Dakota Formation subject to the stipulations on the Sundry Notice.

BOARD ORDER NO. 297-2005

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Linua iveison, Chamman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CAMWEST II L.P. TO CONVERT ITS DWYER 18-2H WELL (API # 25-091-21777) IN THE NW¼SW¼ OF SECTION 19, T32N-R59E, DWYER FIELD, SHERIDAN COUNTY, MONTANA, TO A WATER INJECTION WELL INTO THE MISSISSIPPIAN/DWYER (RATCLIFFE) INTERVAL. ORDER NO. 298-2005

Docket No. 329-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that CamWest II, L.P. is authorized to convert its Dwyer 18-2H well (API # 25-091-21777) in the NW¹/₄SW¹/₄ of Section 19, T32N-R59E, Dwyer Field, Sheridan County, Montana, to a water injection well into the Mississippian/Dwyer (Ratcliffe) Interval subject to the stipulations on the Sundry Notice.

BOARD ORDER NO. 298-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 299-2005

UPON THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTION 24, T22N-R59E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION.

Docket No. 330-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 24, T22N-R59E, Richland County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 299-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE THE W½ OF SECTION 28, T24N-R57E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 300-2005

Docket No. 331-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the W½ of Section 28, T24N-R57E, Richland County, Montana, is delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 300-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTIONS 10 AND 15, T22N-R58E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 301-2005

Docket No. 332-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 10 and 15, T22N-R58E, Richland County, Montana, are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 301-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nalson, Chairman |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTION 27 AND THE N½ OF SECTION 34, T22N-R59E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 302-2005

Docket No. 333-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 27 and the $N\frac{1}{2}$ of Section 34 , T22N-R59E, Richland County, Montana, are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 302-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Linda Neison, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTION 36, T26N-R52E AND LOTS 1, 2, 3, 4, S½N½, S½ (ALL) OF SECTION 1, T25N-R52E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 303-2005

Docket No. 334-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 36, T26N-R52E and Lots 1, 2, 3, 4, S½N½, S½ (all) of Section 1, T25N-R52E, Richland County, Montana, are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 303-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DRILL AN ADDITIONAL HORIZONTAL BAKKEN FORMATION WELL IN THE PERMANENT SPACING UNIT ESTABLISHED BY BOARD ORDER 206-2004 AND COMPRISED OF ALL OF SECTIONS 14 AND 23, T22N-R59E, RICHLAND COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 660 FEET TO THE BOUNDARIES OF SAID PERMANENT SPACING UNIT.

ORDER NO. 304-2005

Docket No. 335-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Headington Oil, Limited Partnership is authorized to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Sections 14 and 23, T22N-R59E, Richland County, Montana, at any location not closer than 660 feet to the boundaries of said permanent spacing unit.

BOARD ORDER NO. 304-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Linua reison, Chamman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 305-2005

UPON THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 36, T26N-R54E, AND LOTS 1, 2, 3, 4, E½W½, E½ (ALL) OF SECTION 31, T26N-R55E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL WELL IN THE BAKKEN FORMATION AND TO AUTHORIZE SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 336-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 36, T26N-R54E, and Lots 1, 2, 3, 4, E½W½, E½ (all) of Section 31, T26N-R55E, Richland County, Montana, are delineated as a temporary spacing unit to drill a horizontal well in the Bakken Formation anywhere within said temporary spacing unit but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 305-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 306-2005

UPON THE APPLICATION OF R & A OIL, INC. TO PRODUCE THE BETHEL RATTLER 44-21 5X WELL IN THE SE¼SE¼ OF SECTION 21, T13N-R28E, PETROLEUM COUNTY, MONTANA, FROM THE FIRST CAT CREEK FORMATION. SAID WELL WILL BE THE SECOND WELL PRODUCING FROM THE FIRST CAT CREEK FORMATION IN THE TEMPORARY SPACING UNIT CONSISTING OF THE SE¼SE¼ OF SAID SECTION 21.

Docket No. 337-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that R & A Oil, Inc. is authorized to produce the Bethel Rattler 44-21 5X well in the SE¹4SE¹4 of Section 21, T13N-R28E, Petroleum County, Montana, from the First Cat Creek Formation as the second well producing from said formation in the temporary spacing unit consisting of the SE¹4SE¹4 of said Section 21.

BOARD ORDER NO. 306-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. TO DELINEATE CERTAIN LANDS IN BLAINE COUNTY, MONTANA, AS A FIELD FOR PRODUCTION OF EAGLE FORMATION NATURAL GAS AND TO ESTABLISH SEPARATE PERMANENT SPACING UNITS FOR SPECIFIED WELLS.

ORDER NO. 307-2005

Docket No. 338-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Jack King recused himself and Board member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the following described lands in Blaine County, Montana, are delineated as a field for production of Eagle Formation natural gas, and that separate permanent spacing units are established as described below.

BOARD ORDER NO. 307-2005

| PERMANENT SPACING UNIT | |
|----------------------------------|-----------------|
| Township 33 North | , Range 22 East |
| Section 13: | All |
| Section 16: | All |
| Section 18: | All |
| Section 19: | All |
| Section 20: | All |
| Section 23: | All |
| Section 24: | All |
| Section 25: | All |
| Section 26: | All |
| Section 27: | All |
| Section 28: | All |
| Section 29: | All |
| Section 33: | All |
| Section 34: | All |
| Section 35: | All |
| Section 36: | All |
| Township 33 North, Range 23 East | |
| Section 30: | All |
| Section 31: | All |

IT IS FURTHER ORDERED that Board Order 265-2004 remains in effect for lands not covered by this order.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. FOR PERMISSION TO DRILL UP TO FOUR EAGLE FORMATION NATURAL GAS WELLS WITHIN SPECIFIED PERMANENT SPACING UNITS IN BLAINE COUNTY, MONTANA.

ORDER NO. 308-2005

Docket No. 339-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Jack King recused himself and Board member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Montana Land & Exploration, Inc. is authorized to drill up to four Eagle Formation natural gas wells within each of the following described permanent spacing units in Blaine County, Montana:

Township 33 North, Range 22 East

Section 13: All Section 16: All Section 18: All Section 19: All Section 20: All Section 23: All Section 24: All Section 25: A11 Section 26: All Section 27: All Section 28: All Section 29: All Section 33: All Section 34: All Section 35: All Section 36: All

Township 33 North, Range 23 East

Section 30: All Section 31: All

IT IS FURTHER ORDERED that wells shall be located no closer than 660 feet to spacing unit boundaries.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
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| | |
| | Linda Nelson, Chairman |
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| | Denzil Young, Vice-Chairman |
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| | Don Bradshaw, Board Member |
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| | Elaine Mitchell, Board Member |
| | |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |
| | |

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. TO POOL ALL INTERESTS, ON THE BASIS OF SURFACE ACREAGE, IN THE PERMANENT SPACING UNIT COMPRISED OF SECTION 35, T33N-R22E, BLAINE COUNTY, MONTANA, FOR PRODUCTION OF NATURAL GAS FROM THE EAGLE FORMATION.

ORDER NO. 309-2005

Docket No. 340-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of Section 35, T33N-R22E, Blaine County, Montana, for production of natural gas from the Eagle Formation are pooled on the basis of surface acreage.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 309-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. FOR AN ORDER POOLING ALL INTERESTS, ON THE BASIS OF SURFACE ACREAGE, IN THE PERMANENT SPACING UNIT COMPRISED OF SECTION 34, T33N-R22E, BLAINE COUNTY, MONTANA, FOR PRODUCTION OF NATURAL GAS FROM THE EAGLE FORMATION.

ORDER NO. 310-2005

Docket No. 341-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of Section 34, T33N-R22E, Blaine County, Montana, for production of natural gas from the Eagle Formation are pooled on the basis of surface acreage.

BOARD ORDER NO. 310-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. TO DELINEATE AND ESTABLISH THE SE¼ OF SECTION 22, T33N-R21E, BLAINE COUNTY, MONTANA, AS THE TEMPORARY SPACING UNIT FOR ITS PROPOSED ML&E SW CHERRY PATCH 9-22 EAGLE FORMATION TEST WELL TO BE LOCATED 1429' FSL AND 1160' FEL OF SAID SECTION 22.

ORDER NO. 311-2005

Docket No. 342-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the SE¹/₄ of Section 22, T33N-R21E, Blaine County, Montana, is delineated as a temporary spacing unit for applicant's proposed ML&E SW Cherry Patch 9-22 Eagle Formation test well located 1429' FSL and 1160' FEL of said Section 22.

BOARD ORDER NO. 311-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT CONSISTING OF SECTION 28, T33N-R21E, BLAINE COUNTY, MONTANA, FOR PRODUCTION OF NATURAL GAS FROM THE EAGLE FORMATION.

ORDER NO. 312-2005

Docket No. 343-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of Section 28, T33N-R21E, Blaine County, Montana, for production of natural gas from the Eagle Formation are pooled on the basis of surface acreage.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 312-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. TO DELINEATE AND ESTABLISH THE W½ OF SECTION 29 AND THE E½ OF SECTION 30, T34N-R22E, BLAINE COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR THE ML&E NE CHERRY PATCH 4-29 EAGLE FORMATION NATURAL GAS WELL LOCATED APPROXIMATELY 1294' FNL AND 802' FWL OF SAID

ORDER NO. 313-2005

Docket No. 344-2005

SECTION 29.

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Jack King recused himself and Board member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the W½ of Section 29 and the E½ of Section 30, T34N-R22E, Blaine County, Montana, are delineated as a permanent spacing unit for the ML&E NE Cherry Patch 4-29 Eagle Formation natural gas well located approximately 1294' FNL and 802' FWL of said Section 29.

BOARD ORDER NO. 313-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. TO AUTHORIZE THE DRILLING OF A SECOND EAGLE FORMATION NATURAL GAS WELL IN THE SPACING UNIT CONSISTING OF THE W½ OF SECTION 29 AND THE E½ OF SECTION 30, T34N-R22E, BLAINE COUNTY, MONTANA, AT A LOCATION APPROXIMATELY 253' FEL AND 2177' FNL OF SAID SECTION 30.

ORDER NO. 314-2005

Docket No. 345-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Jack King recused himself and Board member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Montana Land & Exploration, Inc. is authorized to drill a second Eagle Formation natural gas well in the spacing unit consisting of the W½ of Section 29 and the E½ of Section 30, T34N-R22E, Blaine County, Montana, at a location approximately 253' FEL and 2177' FNL of said Section 30.

BOARD ORDER NO. 314-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF FIDELITY EXPLORATION & PRODUCTION COMPANY TO MODIFY THE WELL LOCATION RULE WITH REGARD TO CERTAIN LANDS LYING WITHIN THE CEDAR CREEK UNIT 8B, CEDAR CREEK GAS FIELD, FALLON COUNTY, MONTANA, TO ALLOW WELLS TO BE DRILLED WITHIN 50 FEET OF THE MONTANA-NORTH DAKOTA BORDER.

ORDER NO. 315-2005

Docket No. 346-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant is authorized to drill wells within 50 feet of the Montana-North Dakota border on the following described lands in Fallon County, Montana:

T4N-R62E

Section 5: All Section 8: All Section 17: All Section 20: All Section 29: All

Section 32: E½, N½SW¼, NW¼

BOARD ORDER NO. 315-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 316-2005

UPON THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DESIGNATE THE NE¼ OF SECTION 11 AND THE NW¼ OF SECTION 12, T34N-R16E, HILL COUNTY, MONTANA, AS A TEMPORARY SPACING UNIT FOR PURPOSES OF DRILLING A GAS WELL TO TEST ALL ZONES AND FORMATIONS FROM THE SURFACE OF THE EARTH TO THE BASE OF THE SECOND WHITE SPECKS FORMATION, AT A LOCATION 1640' FNL AND 590' FEL OF SAID SECTION 11, WITH A 200-FOOT TOPOGRAPHIC TOLERANCE AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 347-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the NE½ of Section 11 and the NW½ of Section 12, T34N-R16E, Hill County, Montana, are delineated as a temporary spacing unit for purposes of drilling a gas well to test all zones and formations from the surface of the earth to the base of the Second White Specks Formation, at a location 1640' FNL and 590' FEL of said Section 11, with a 200-foot topographic tolerance as an exception to A.R.M. 36.22.702.

BOARD ORDER NO. 316-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 317-2005

UPON THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DESIGNATE THE S½ OF SECTION 28 AND THE N½ OF SECTION 33, T35N-R16E, HILL COUNTY, MONTANA, AS A TEMPORARY SPACING UNIT FOR PURPOSES OF DRILLING A GAS WELL TO TEST ALL ZONES AND FORMATIONS FROM THE SURFACE OF THE EARTH TO THE BASE OF THE SECOND WHITE SPECKS FORMATION, AT A LOCATION 404' FSL AND 2573' FWL OF SAID SECTION 28, WITH A 25-FOOT TOPOGRAPHIC TOLERANCE AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 348-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the S½ of Section 28 and the N½ of Section 33, T35N-R16E, Hill County, Montana, are delineated as a temporary spacing unit for purposes of drilling a gas well to test all zones and formations from the surface of the earth to the base of the Second White Specks Formation, at a location 404' FSL and 2573' FWL of said Section 28, with a 25-foot topographic tolerance as an exception to A.R.M. 36.22.702.

BOARD ORDER NO. 317-2005

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DESIGNATE THE S½ OF SECTION 5 AND THE N½ OF SECTION 8, T33N-R14E, HILL COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF GAS FROM THE EAGLE AND NIOBRARA FORMATIONS.

ORDER NO. 318-2005

Docket No. 349-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the $S\frac{1}{2}$ of Section 5 and the $N\frac{1}{2}$ of Section 8, T33N-R14E, Hill County, Montana, are delineated as a field and permanent spacing unit for production of gas from the Eagle and Niobrara Formations.

BOARD ORDER NO. 318-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DESIGNATE ALL OF SECTION 23, T37N-R15E, HILL COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF NIOBRARA FORMATION GAS.

Docket No. 350-2005

ORDER NO. 319-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 23, T37N-R15E, Hill County, Montana, is designated as a permanent spacing unit for production of Niobrara Formation gas.

BOARD ORDER NO. 319-2005

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 320-2005

UPON THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO POOL ALL INTERESTS IN SPACING UNIT COMPRISED OF ALL OF SECTION 23, T37N-15E, HILL COUNTY, MONTANA, FOR PRODUCTION OF NIOBRARA FORMATION GAS AND AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2) M.C.A.

Docket No. 351-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the spacing unit comprised of all of Section 23, T37N-R15E, Hill County, Montana, for production of Niobrara Formation gas are pooled on the basis of surface acreage.

IT IS FURTHER ORDERED that, at applicant's request, recovery of non-consent penalties in accordance with Section 82-11-202 (2) M.C.A. is not authorized.

BOARD ORDER NO. 320-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF ENCORE OPERATING, L.P. TO DELINEATE ALL OF SECTION 7, T14N-R55E, DAWSON COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED GAS FROM THE RED RIVER FORMATION AND TO DESIGNATE APPLICANT'S GLENDIVE 43-07H WELL AS THE AUTHORIZED WELL FOR SAID SPACING UNIT. (GLENDIVE FIELD)

ORDER NO. 321-2005

Docket No. 352-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 7, T14N-R55E, Dawson County, Montana, is delineated as a permanent spacing unit for production of oil and associated gas from the Red River Formation.

IT IS FURTHER ORDERED that applicant's Glendive 43-07H well is designated as the authorized well for said permanent spacing unit.

BOARD ORDER NO. 321-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF ENCORE OPERATING, L.P. TO DRILL AN ADDITIONAL RED RIVER FORMATION DUAL LATERAL HORIZONTAL WELL IN THE 640-ACRE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTION 7, T14N-R55E, DAWSON COUNTY, MONTANA, WITH SAID LATERALS TO BE LOCATED NO CLOSER THAN 660 FEET TO THE EXTERIOR BOUNDARIES OF SAID SPACING UNIT. (GLENDIVE FIELD)

ORDER NO. 322-2005

Docket No. 353-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The applicant indicated that the proposed location for the additional well would be discussed with the surface owner.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Encore Operating, L.P. is authorized to drill an additional Red River Formation dual lateral horizontal well in the 640-acre permanent spacing unit comprised of all of Section 7, T14N-R55E, Dawson County, Montana, with said laterals to be located no closer than 660 feet to the exterior boundaries of said spacing unit.

BOARD ORDER NO. 322-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF ENCORE OPERATING, L.P. TO DESIGNATE CERTAIN WELLS AS ELIGIBLE FOR THE SEVERANCE TAX REDUCTION AVAILABLE THROUGH THE MONTANA DEPARTMENT OF REVENUE TO HORIZONTAL OIL WELL RE-ENTRIES.

ORDER NO. 323-2005

Docket No. 354-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the following described wells are eligible for the severance tax reduction available through the Montana Department of Revenue for recompletion of vertical wells as horizontal wells:

| API Number | Well Name | Completion Date |
|--------------|------------|------------------------|
| 25-109-05015 | SP 23-23AH | June 2005 |
| 25-021-05056 | GCU 22-21H | June 2005 |

IT IS FURTHER ORDERED that staff provide the necessary certifications to the Montana Department of Revenue.

BOARD ORDER NO. 323-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Eliida Ivelson, Chamman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICANT OF
CONTINENTAL RESOURCES, INC. TO
AMEND BOARD ORDER 294-2003 TO
ALLOW THE DRILLING OF AN
INCREASED DENSITY WELL IN THE
PERMANENT SPACING UNIT
COMPRISED OF SECTIONS 11 AND 14,
T23N-R55E, RICHLAND COUNTY,
MONTANA, FOR PRODUCTION OF OIL
AND NATURAL GAS FROM THE
BAKKEN FORMATION, WITH SAID
WELL TO BE LOCATED NOT LESS
THAN 660 FEET TO THE SPACING UNIT

ORDER NO. 324-2005

Docket No. 355-2005

BOUNDARIES.

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 294-2003 is hereby amended to allow the drilling of an increased density well in the permanent spacing unit comprised of Sections 11 and 14, T23N-R55E, Richland County, Montana, for production of oil and natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that said well shall be located no closer than 660 feet to the spacing unit boundaries.

BOARD ORDER NO. 324-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO AMEND BOARD ORDER 122-2003 TO ALLOW THE DRILLING OF AN INCREASED DENSITY WELL IN THE PERMANENT SPACING UNIT COMPRISED OF SECTION 34, T24N-R55E, AND SECTION 3, T23N-R55E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF OIL AND NATURAL GAS FROM THE BAKKEN FORMATION, WITH SAID WELL TO BE LOCATED NOT LESS THAN 660 FEET TO THE SPACING UNIT BOUNDARIES.

ORDER NO. 325-2005

Docket No. 356-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 122-2003 is hereby amended to allow the drilling of an increased density well in the permanent spacing unit comprised of Section 34, T24N-R55E and Section 3, T23N-R55E, Richland County, Montana, for production of oil and natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that said well shall be located no closer than 660 feet to the spacing unit boundaries.

BOARD ORDER NO. 325-2005

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO AMEND BOARD ORDER 36-2004 TO ALLOW THE DRILLING OF AN INCREASED DENSITY WELL IN THE PERMANENT SPACING UNIT COMPRISED OF SECTIONS 8 AND SECTION 17, T23N-R56E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF OIL AND NATURAL GAS FROM THE BAKKEN FORMATION, SAID WELL TO BE LOCATED NOT LESS THAN 660 FEET TO THE SPACING UNIT BOUNDARIES.

ORDER NO. 326-2005

Docket No. 357-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 36-2004 is hereby amended to allow the drilling of an increased density well in the permanent spacing unit comprised of Sections 8 and 17, T23N-R56E, Richland County, Montana, for production of oil and natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that said well shall be located no closer than 660 feet to the spacing unit boundaries.

BOARD ORDER NO. 326-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 24 AND 25, T26N-R55E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 327-2005

Docket No. 364-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application as hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 24 and 25, T26N-R55E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

BOARD ORDER NO. 327-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 21 AND 28, T26N-R55E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 328-2005

Docket No. 365-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 21 and 28, T26N-R55E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 328-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 13 AND 24, T26N-R53E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 329-2005

Docket No. 367-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 13 and 24, T26N-R53E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 329-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T27N-R54E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 330-2005

Docket No. 368-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 17 and 20, T27N-R54E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 330-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 16 AND 21, T27N-R54E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 331-2005

Docket No. 369-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 16 and 21, T27N-R54E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 331-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Denzii Toung, vice-Chanman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 6 AND 7, T26N-R54E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 332-2005

Docket No. 370-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 6 and 7, T26N-R54E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 332-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|--|
| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 12 AND 13, T25N-R55E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 333-2005

Docket No. 371-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 12 and 13, T25N-R55E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

BOARD ORDER NO. 334-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 8 AND 17, T25N-R56E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 334-2005

Docket No. 372-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 8 and 17, T25N-R56E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

BOARD ORDER NO. 334-2005

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
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| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |

ORDER NO. 335-2005

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 9 AND 16, T25N-R56E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF ONE MULTILATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 373-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 9 and 16, T25N-R56E, Richland County, Montana, are designated as a temporary spacing unit for drilling one multilateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

BOARD ORDER NO. 335-2005

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF PETRO-HUNT, LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 14 AND 15, T22N-R57E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF A DUAL-LATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 336-2005

Docket No. 374-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 14 and 15, T22N-R57E, Richland County, Montana, are designated as a temporary spacing unit for drilling one dual lateral horizontal well in the Bakken Formation.

IT IS FURTHER ORDERED that said well may be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

BOARD ORDER NO. 336-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Elita (Veison, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
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| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF DEVON LOUISIANA CORPORATION TO DESIGNATE THE NE¹/₄SW¹/₄, SE¹/₄NW¹/₄, SW¹/₄NE¹/₄ AND NW¹/₄SE¹/₄ OF SECTION 26, T25N-R18E, BLAINE COUNTY, MONTANA, AS A TEMPORARY SPACING UNIT FOR PURPOSES OF DRILLING A CAMBRIAN OIL WELL AT A LOCATION APPROXIMATELY 2285' FSL AND 2223' FWL OF SAID SECTION 26, AS AN EXCEPTION TO A.R.M. 36.22.702 (8).

ORDER NO. 337-2005

Docket No. 375-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the NE¹4SW¹4, SE¹4NW¹4, SW¹4NE¹4 and NW¹4SE¹4 of Section 26, T25N-R18E, Blaine County, Montana, are designated a temporary spacing unit for the purposes of drilling a Cambrian oil well at a location approximately 2285' FSL and 2223' FWL of said Section 26 as an exception to A.R.M. 36.22.702. (8).

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 337-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |
| <u> </u> | |

UPON THE APPLICATION OF DEVON LOUISIANA CORPORATION TO DESIGNATE THE S½SE¼ OF SECTION 34, T31N-R16E, AND THE N½NE¼ OF SECTION 3, T30N-R16E, HILL COUNTY, MONTANA, AS A TEMPORARY SPACING UNIT FOR PURPOSES OF DRILLING AN EAGLE SAND FORMATION GAS WELL AT A LOCATION APPROXIMATELY 185' FNL AND 1950' FEL OF SAID SECTION 3, AS AN EXCEPTION TO BOARD ORDER 23-68. (TIGER RIDGE FIELD)

ORDER NO. 338-2005

Docket No. 378-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the S½SE¼ of Section 34, T31N-R16E, and the N½NE¼ of Section 3, T30N-R16E, Hill County, Montana, are designated a temporary spacing unit for the purposes of drilling an Eagle Sand Formation gas well approximately 185' FNL and 1950' FEL of said Section 3, as an exception to Board Order 23-68.

BOARD ORDER NO. 338-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA | | |
|---------------------------------------|-------------------------------|--|--|
| | Linda Nelson, Chairman | | |
| | Denzil Young, Vice-Chairman | | |
| | Don Bradshaw, Board Member | | |
| | Jack King, Board Member | | |
| | Elaine Mitchell, Board Member | | |
| | Joan Stahl, Board Member | | |
| ATTEST: | | | |
| | | | |
| Terri H. Perrigo, Executive Secretary | | | |

UPON THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO CREATE A TEMPORARY SPACING
UNIT COMPRISED OF THE NE¼ OF
SECTION 15, T35N-R18E, BLAINE COUNTY,
MONTANA, TO DRILL A 5000-FOOT
LODGEPOLE TEST WELL AT A LOCATION
APPROXIMATELY 1410' FNL AND 1793' FEL
OF SAID SECTION 15, WITH A 75-FOOT
TOLERANCE FOR TOPOGRAPHIC REASONS.

ORDER NO. 339-2005

Docket No. 383-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the NE¼ of Section 15, T35N-R18E, Blaine County, Montana, is designated as a temporary spacing unit for a 5000-foot Lodgepole test well at a location approximately 1410' FNL and 1793' FEL of said Section 15, with a 75-foot tolerance for topographic reasons.

BOARD ORDER NO. 339-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
|---------------------------------------|---|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE REQUEST OF SUMMER NIGHT OIL COMPANY, LLC TO RECONSIDER THE BOARD'S ACTION TO INCREASE ITS SURFACE RESTORATION BOND BY \$5000 FOR THE ANDERSON 27-1 WELL LOCATED IN THE NW¼NW¼ OF SECTION 27, T33N-R48E, DANIELS COUNTY, MONTANA.

ORDER NO. 340-2005

Docket No. 384-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The Board voted unanimously to increase applicant's surface restoration bond for the Anderson 27-1 well at its June 8, 2005 business meeting.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant's request that the Board reconsider its action to increase the surface restoration bond for the Anderson 27-1 well is hereby denied.

BOARD ORDER NO. 340-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

BOARD OF OIL AND GAS CONSERVATION

| | OF THE STATE OF MONTANA | | |
|---------------------------------------|-------------------------------|--|--|
| | | | |
| | Linda Nelson, Chairman | | |
| | Denzil Young, Vice-Chairman | | |
| | Don Bradshaw, Board Member | | |
| | Jack King, Board Member | | |
| | Elaine Mitchell, Board Member | | |
| | Joan Stahl, Board Member | | |
| ATTEST: | | | |
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| | | | |
| Terri H. Perrigo, Executive Secretary | | | |

UPON THE APPLICATION OF PETRO-HUNT LLC TO DELINEATE ALL OF SECTIONS 35 AND 36, T23N-R56E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION.

Docket No. 221-2005

ORDER NO. 341-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 35 and 36, T23N-R56E, Richland County, Montana, are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 341-2005

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of September, 2005.

| | OF THE STATE OF MONTANA |
|---------------------------------------|-------------------------------|
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| Terri H. Perrigo, Executive Secretary | |

UPON THE APPLICATION OF
PETRO-HUNT LLC TO DRILL AN
ADDITIONAL HORIZONTAL
BAKKEN FORMATION WELL IN
THE PERMANENT SPACING UNIT
CONSISTING OF ALL OF
SECTIONS 35 AND 36, T23N-R56E,
RICHLAND COUNTY, MONTANA,
SAID WELL TO BE DRILLED
ANYWHERE WITHIN SAID SPACING
UNIT BUT NOT CLOSER THAN 660

FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 342-2005

Docket No. 222-2005

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of September, 2005 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Petro-Hunt, LLC is authorized to drill an additional horizontal Bakken Formation well in the permanent spacing unit consisting of all of Sections 35 and 36, T23N-R56E, Richland County, Montana.

| IT IS FURTHER ORDERED that said well may not closer than 660 feet to the boundaries thereof. | be drilled anywhere within said spacing unit but |
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| BOARD ORDER NO. 342-2005 | |
| Done and performed by the Board of Oil and G Billings, Montana, this 1st day of September, 2005. | as Conservation of the State of Montana at |
| | BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA |
| | Linda Nelson, Chairman |
| | Denzil Young, Vice-Chairman |
| | Don Bradshaw, Board Member |
| | Jack King, Board Member |
| | Elaine Mitchell, Board Member |
| | Joan Stahl, Board Member |
| ATTEST: | |
| | |
| | |
| Terri H. Perrigo, Executive Secretary | |